00 JAN 10 PH 2:07 1 **SAMPSON & ASSOCIATES** Bryan D. Sampson, Esq. (State Bar No. 143143) 2 2139 First Avenue San Diego, California 92101 3 (619) 557-9420/Fax (619) 557-9425 4 Attorneys for Secured Creditor PROULX 5 6 7 UNITED STATES BANKRUPTCY COURT 8 9 **SOUTHERN DISTRICT OF CALIFORNIA** BANKRUPTCY CASE NO: 99-33191-B7 10 In re: **DECLARATION IN SUPPORT OF** 11 SARA NEWSOME BURNS. OPPOSITION TO DEBTOR'S OBJECTION 12 AND MOTION TO AVOID JUDICIAL LIEN **PURSUANT TO 11 U.S.C. §523(f)** 13 Debtor. 1/31/00 DATE: TIME: 10:30 a.m. 14 CTRM: Peter W. Bowie 15 JUDGE: 16 I, Bryan D. Sampson, declare: 17 1. I am an attorney licensed to practice law in the State of California and before this 18 Court. I am also the attorney of record for Secured Creditor BRADLEY PROULX in the above 19 entitled action. 2. 20 If called upon to testify, I could and would competently testify to the matters 21 contained herein based upon my personal knowledge. 22 3. Attached hereto as Exhibit "1" is a true and correct copy of the California State 23 Court's judgment against Debtor BURNS. 24 4. Attached hereto as Exhibit "2" are true and correct copies of liens recorded 25 against Debtor's assets, i.e. the Abstract of Judgment recorded against Debtor's real property

in San Diego County and the Secretary of State Lien on Debtor's personal property.

Attached hereto as Exhibit "3" is a true and correct copy of Creditor's Turnover

26

27

28

5.

Order on Debtor's Federal Qui Tam monies.

- 6. Attached hereto as Exhibit "4" is a true and correct copy of Creditor PROULX's Lien recorded against Defendants' federal court monetary award.
- 7. Attached hereto as Exhibit "5" is a true and correct copy of Debtor's BURNS' Chapter 13 petition filed on January 25, 1999.
- 8. Attached hereto as Exhibit "6" is a true and correct copy of the Chapter 13 dismissal.
- 9. Attached hereto as Exhibit "7" is a true and correct copy of the Southern District Bankruptcy Court's order denying Debtor BURNS' Motion for Stay Pending Appeal.
- 10. Attached hereto as Exhibit "8" is a true and correct copy the Ninth Circuit Bankruptcy Appellate Panel's order denying Debtor BURNS' Motion for Stay Pending Appeal.
- 11. Attached hereto as Exhibit "9" is a true and correct copy of Debtor BURNS' Notice of Filing of Bankruptcy Court Order From Which Appeal is Being Taken.
- 12. This bankruptcy (as well as a prior Chapter 13 Bankruptcy, Bankruptcy Appeal, State Judgment and State Appeal) involves a one-creditor State Court dispute between Debtor BURNS and Creditor PROULX. On October 30, 1998, Creditor PROULX obtained a judgment against Debtor BURNS. The Judgment expressly granted Creditor PROULX a portion of Debtor's *Qui Tam* settlement with the United States Government in the amount of \$193,333.33 plus \$22,267.50 together with interest thereon from July 29, 1991 at the rate of 10% per annum.
- 13. Creditor PROULX then, through my office, secured the Judgment with an Abstract of Judgment, a Secretary of State Lien, levy and a Lien on the Federal Action, which liens were filed and perfected more than 90 days before the date of this Chapter 7 petition. Presently, the amount owed by Debtor BURNS on the judgment exceeds \$240,000.
- 14. Following entry of the judgment, Debtor BURNS refused to pay any monies whatsoever to Creditor PROULX. Her conduct throughout the various court actions has been to file repeated, frivolous pleadings and to thereby recklessly increase the litigation in this matter, and completely ignore the current state of the law.

///

15. Because of Debtor BURNS' "amnesia" during a post-judgment debtor's examination, secretion of assets, and refusal to obey a State Court Turnover Order, Creditor PROULX was forced to undertake numerous post-judgment actions to recover monies from October 30, 1998 through today, including, but were not limited to:

- Filing and serving liens in the Federal Court Action:
- Bringing a Turnover Motion in Federal Court;
- Obtaining a Turnover Order and serving Debtor;
- Filing and obtaining an Assignment Motion;
- Obtaining a Restraining Order on the Qui Tam monies;
- Filing an Objection to a frivolous Exemption Claim:
- Levying on the final payment due Appellant;
- Obtaining a Restraining Order on Appellant's Rental Income:
- Incurring costs to investigate and locate Appellant's assets;
- Objecting to Debtor's Chapter 13; and
- Obtaining an Order to Dismiss Debtor's Chapter 13.
- 16. This Chapter 7appears to be part of Debtor BURNS' continuing efforts to unabashedly avail herself of bankruptcy's automatic stay to deny Creditor PROULX as much monies as she possibly can. Debtor BURNS has already dissipated over \$450,000 of the Qui Tam settlement monies from the United States government without providing any documentary evidence of the current whereabouts of that money. Now, Debtor BURNS is trying to improperly, and without adequate evidence, reduce Creditor PROULX's liens against her real property.

I declare under the penalty of perjury under Federal Laws that the foregoing is true and correct. This declaration is executed this 10<sup>th</sup> day of January, 2000, at San Diego, California.

Bryan D. Sampson